GRAND GALA DAY AT HILO.

Bunting Spread to the Breeze all Over the City—Bands Playing—Pau Riding—A Large and Successful Luau—Conciliatory Speeches Delivered by the Defeated Candidates for Legislative Honors, and a General Good Time by all Concerned.

At noon on Thanksgiving Day all public schools, houses of business, banks, etc., were closed in honor of a grand luau given by the defeated candidates, thus proving a true saying that sometimes defeat is better than victory. After all had partaken to the full of all the appetizers that the delicate hands of the Hawaiians only know how to prepare, Mr. George C. Beckley was called upon for a speech, who said that he was glad to welcome all to the feast, foreigners as well as natives. Heretofore the nation has been in the clouds, but now, he was glad to say, they were out of the clouds. He had repeatedly asked the King to dismiss the past Ministry; that they would surely bring him to lose his crown, and we find that they did run the country heavily in debt. Now we have a Ministry and Legislature who are going to stop all this, and will try to bring the country out of debt. He spoke of Mr. Wilder as being a father of the country, and as the majority of the Legislature have voted to support the English loan, it means success to his railroad enterprise. This will bring a great deal of wealth to this island and open up the country, and within a few months you will see the steamships coming into the harbor direct from the Coast. In closing he said: You Hawaiians may say that I am a foreigner because I am so much among them, but that is not so; the only reason that has made me successful is because I have attended to my work faithfully and that is what we must have in the future in the management of public affairs—faithful work.

Jos. Nawahi being next called upon said he had only a few words to say. Although there are many colors here among us we are all one nation, one people, all Hawaiians. He had been in the Legislature many times and this was the first time he had been out of it for a long time, but expected to be in the next one. The coming railroad will increase the wealth of this part of the Islands. The taxes in Hilo will increase in the next 5 years to $20,000, and we shall then be able to build our own bridges, wharfs and railroads, and we shall have a direct line of steamers by which anyone can travel. He urged the Hawaiians to go to work and reap some of the benefits of planting their fields with bananas, squashes, cabbage and sweet potatoes, and not have it all for the Chinese and Portuguese to take all the money.

Judge Lyman kindly translated a portion of the remarks for the benefit of the foreigners. The speaking being over the pau riders to the number of some 30, with Mrs. Nawahi at the head, sallied forth with all their gorgeous colors, purple, green, yellow, brown, black, etc., etc., reminding one of the old times of yore when they could be seen so frequently. The surf bathers were another attraction, especially as the surf was very high. There were about 1,000 people present at the luau. XERXES.

Hilo, Nov. 24th.

Hon. W. O. Smith's Vindication.

EDITOR GAZETTE:—No man should enter upon public work unless he is prepared to take hard blows, and when such blows are fairly given, he should not complain. But it is different when attacks upon his integrity or other personal assaults are made.

A correspondent of the GAZETTE of yesterday charges me with "perfidy" by reason of my vote on the bill to abolish the office of governor.

The candidates elected in Honolulu were committed to the principle "that all unnecessary offices in the government be abolished, and that excessive salaries be curtailed."

And the question has arisen whether or not the office of governor is "unnecessary," and the salary for governor "excessive."

I was a delegate at the nominating convention and was one of the committee on resolutions who drafted the resolutions which were adopted as the "platform" of the convention; and during the campaign attended nearly all of the public meetings at which the candidates met the electors, and while the plan of dispensing with all unnecessary offices was frequently discussed, I do not remember having heard the office of governor mentioned, either in the convention or at those meetings, as one which should be abolished.

On the discussion of the "Governor's Bill" in the House, I urged that judicious and able Governors would be of great assistance to the Administration, and that under the Constitution such Governors could be obtained and made as responsible as Ministers. At the same time I expressed my unqualified opinion that if better Governors could not be obtained than the present incumbents, it would be better to abolish the office forthwith.

I complain of no one having or expressing his opinion as emphatically as he chooses, and disagreeing with the views of others, but personal attacks of any one, in or out of the House, are unmanly and contemptible, and when made by an anonymous writer are cowardly.

WILLIAM O. SMITH.

Honolulu, Nov. 30, 1887.

He was leaning against the lamp-post, and the watchful guardian of the night came up very respectfully.

"Fine night, Mr. Jones."

"Bootiful."

"You're out rather late, ain't you?"

"No, no; about my usual time."

"Are you waiting for somebody?"

"No, no; going home. A little tired, that's all; a little tired."

"I'll walk down with you, and see you to your door."

"Thank you, thank you; but there's no need. The other side of the block will be round this way in a moment, and I'll just pop in when my door comes along. Thank you. Good night."

THE Atchison, Topeka and Santa Fe route is going to enter the rivalry in furnishing rapid transit across the continent. It is stated that a fast express will be put on to cover the distance between Chicago and San Francisco in three and one-half days.

In the Supreme Court of the Hawaiian Islands--In Banco. October Term, 1887.

IN THE MATTER OF PAUL NEUMANN, A PRACTITIONER OF THE SUPREME COURT.

BEFORE JUDD, C. J., M'CULLY, PRESTON AND BICKERTON J., J.

Mr. Neumann was ordered to answer a complaint filed by C. Michiels a client.

The circumstances which led to the complaint being filed are as follows:

On the 31st day of July, 1886, Mr. Michiels was arrested on a charge of having opium unlawfully in his possession. His storeman or clerk had been previously arrested on a similar charge.

The case was continued for hearing until Monday, the 2d August, and Michiels was released on bail, his surety being Mr. H. Davis.

Mr. Neumann was retained by Michiels and Mr. Whiting was retained on behalf of his clerk, Mr. Bowler, at the request of Michiels becoming surety for the clerk.

On the 2d August, the cases were further continued until the 4th, and during the afternoon of the 2d, Mr. Neumann prepared an absolute bill of sale from Michiels to Whiting of all his stock in trade, etc., for the expressed consideration of one dollar.

Early in the morning of the 4th August, a fire, which may be taken to have been the act of an incendiary, occurred at Michiels' store whereby the whole stock in trade therein was so much damaged as to cause, practically, a total loss.

The property was insured and the insurance companies having declined to pay, Michiels brought actions against them, Messrs. Neumann Whiting and Creighton acting as his attorneys.

One of such actions (against the Hartford Insurance Company) came on for trial before Mr. Justice McCully at the last April term, at which trial counsel for the defendant called for the aforesaid bill of sale, which counsel for Michiels produced under notice.

The Court held that the bill of sale changed the property in the goods, and under a condition contained in the policy avoided it, and on motion of counsel for the defendant the plaintiff was non-suited, which non-suit was sustained by the full Court at the last July term.

Mr. Michiels' complaint resolves into the following charges.

1. That Mr. Neumann induced Michiels to sign a document (*i.e.* the bill of sale) not prepared at his client's instance, without first explaining to his client the nature of such document, or without giving him an opportunity to read the same.

2. That Mr. Neumann was guilty of wilful neglect in allowing Michiels to institute proceedings without previously informing him of the nature of the document he had signed and which he (Neumann) well knew at the time of instituting such suit was a complete answer and defence.

3. That Mr. Neumann betrayed the confidence of his client Michiels, by wilfully and maliciously disclosing to the defendants or to their counsel or agent the existence of the said bill of sale.

In support of the first ground of complaint, Mr. Michiels stated that "Neumann came to my store, and presented the foot of a document which he held in his hand before me, asked me to sign it. I asked him what it was. He said 'sign it.' Yes, I replied, but I should like to know what I am signing. He answered 'have you no confidence in me? It is a bond for $1,250, for Messrs. Bowler and Davis.' As Mr. Neumann seemed annoyed at my natural curiosity about the contents of the document, and as I did not want to do anything to gain the ill will of my attorney during a trial in which he was retained by me, I signed the paper which Mr. Neumann put in his pocket, leaving the store immediately thereafter. The nature of the document I did not know, nor did I see it again until the trial, when it turned up through the instrumentality of the defendant company's counsel. From what Mr. Neumann said I assumed at the time I had merely signed a simple bond to secure Bowler and Davis against loss through their becoming bail for me."

Mr. Michiels was cross-examined but adhered substantially to the above statement and denied most positively that he signed the document in Mr. Neumann's office in the presence of Mr. Whiting, or that it was read over or explained to him.

Mr. Neumann, by his answer denies the truth of the foregoing statements and alleges that Mr. Davis and Mr. Bowler having required to be secured in case Michiels left the country, he sent for Michiels who came to Neumann's office, and that he there, in the presence of Mr. Whiting, explained the matter to Michiels, and the demands of the sureties, and that he then drafted the document in question, which was read and fully explained to Michiels and was then signed by him in the presence of Mr. Whiting, and that he (Neumann) informed Michiels that he would keep the same until some other provision was made for securing the sureties or until they were exonerated and that then the bill of sale would be destroyed by him.

These allegations are confirmed by the affidavit and evidence of Mr. Whiting.

We must therefore find that the complainant has failed to substantiate this charge, and hold that it is sufficiently answered.

We will now consider the third ground of complaint.

Mr. Neumann, in his answer says that after the fire and before he and Mr. Whiting agreed to undertake the collection of the policies, Mr. Berger, agent for the insurance companies, expressed to him (Neumann) in a friendly conversation a strong suspicion that the fire was caused by an incendiary, that Michiels might be the guilty person, and that if proof enough were collected he would cause him to be prosecuted for arson. It was then that he (Neumann) stated to Berger that he did not believe those suspicions to be correct, but the contrary, because Michiels had placed in his hands the power of depriving him (Michiels) of any money which he might obtain on his policies, and that under such circumstances Michiels would be an idiot to risk his name and liberty by committing arson.

Mr. Neumann claims that at the time of this conversation he was not the attorney for Michiels in the matter of obtaining the insurance moneys.

We assume that Mr. Neumann by his answer, implies that he had no other conversation with Berger respecting this bill of sale.

We regret exceedingly that under the peculiar circumstances of this case, Mr. Neumann did not see fit to obtain an affidavit from Mr. Berger, or to call him as a witness. The charge is a serious one, affecting Mr. Neumann professionally, and although he, in his discretion, abstained from obtaining Berger's testimony, ihe Court feel that it would have been more satisfactory to them in dealing with this case if his testimony had been before them.

We do not think that Mr. Neumann, in telling Mr. Berger what he admits he did tell, did so with any intention to injure his client, or to prejudice his claim, but that it did have that effect we think cannot be denied, as it must have put Mr. Berger on enquiry.

We cannot agree with Mr. Neumann in his contention as we understand him, that as he was not retained at the time of the conversation with Berger, in respect of Michiels' insurance money, he was not betraying the confidence of his client by stating what he did to Berger. We think that the relation of attorney and client did exist between them sufficiently, to prevent Mr. Neumann stating anything which might prejudice Michiels.

The second ground of complaint has given us more anxiety.

Mr. Neumann claims that he was and still is of opinion that the bill of sale did not operate in such a way as to avoid the policy, and this puts the Court in this position. We must either think that Mr. Neumann was ignorant of the law on the subject, or that knowing the law, he did not advise his client according to his knowledge, and for the client's interest.

We think that when a compromise of the claims might have been effected, it became Mr. Neumann's duty to advise his client that the execution of the bill of sale was a defence to any action, and his client then could have exercised his own judgment as to compromising.

We cannot impute ignorance of the law to Mr. Neumann, as it seems to us to be clear that when he had the conversation with Berger he thought that the property had passed from Michiels, so as to deprive him of the right to receive the insurance money.

The complainant in this case is a Belgian and not well acquainted with the English language, and is evidently not a man of good business habits, and is liable to misapprehend the effect of conversations had with him and of acts done.

We cannot but be much impressed with the manner and circumstances under which it is admitted the bill of sale was executed and with the form of it.

It is said that the sole object of the transfer was to protect Michiels' and his clerk's bondsmen. This object does not appear on the face of it. It is an absolute bill of sale to Mr. Whiting, the legal effect of which was to enable Mr. Whiting to at once take possession and dispose of the property and leave Michiels to his remedy in equity. Neither could the bondsmen, in law, obtain any indemnity in the event of loss through the alleged security, they were not parties, nor was any trust expressed in their favor.

We do not assume that Mr. Whiting would not carry out the alleged secret trust, but feel assured that had the occasion arisen he would have acted properly in the matter. But we are of opinion that if the intention was as stated, Mr. Neumann neglected his duty to his client, in not having the purposes of the transfer set out on its face.

We are satisfied that Michiels never understood the effect of the document nor was the full effect explained to him and therefore Mr. Neumann has laid himself open to severe censure.

Honolulu, Nov. 14th, 1887.

November 23rd, 1887.

Since writing the above we have, at the request of the respondent, given him a rehearing for the purpose of obtaining the evidence of Mr. Berger, and we have also had the benefit of the argument of Mr. A.S. Hartwell on behalf of the respondent.

We can come to no other conclusion than that Mr. Neumann must be considered as in one of two attitudes—either he was ignorant of the peril to his client's insurance claim when he disclosed the fact of the assignment to Mr. Berger, or he betrayed his client's case with the intention of injuring him. We cannot accept the latter alternative, because there is no proof of any collusion between him and Mr. Berger. Mr. Berger's testimony is to the effect that when Mr. Neumann told him of the bill of sale of Michiel's whole stock of goods to Mr. Whiting for the consideration of $1, and which Mr. Neumann commented upon as a reason why Michiels would have no motive for destroying this property by fire, it being no longer his, he Berger, immediately seized upon it as being a defence to to the action to recover the insurance, but that he was careful not to make Mr. Neumann aware of this view. He also studiously avoided letting Mr. Michiels know that he had this in mind when he conversed with him about his proof of loss and in the negotiations for a compromise, although Michiels freely admitted to him the facts in reference to the assignment. This would disprove all suggestion of collusion between Berger and Neumann.

We are therefore forced to the conclusion that the disclosure by Mr. Neumann to Mr. Berger was done with such ignorance of the law as also to require the deliberate censure of the Court which is hereby expressed.

Respondent to pay costs.

In the Supreme Court of the Hawaiian Islands--In Banco.

J. A. HOPPER VS. W. C. PARKE ET AL., ASSIGNEES OF Y. ANIN, A BANKRUPT.

BEFORE JUDD, C. J., M'CULLY J., PRESTON J., BICKERTON J.

Opinion of the Court by BICKERTON J.

This matter comes here on a submission of facts agreed upon by the parties hereto as follows:

1. That on October 10, 1885, said Hopper loaned to said Anin the sum of $1,500, and took from him a note payable on demand for that amount with interest at the rate of one per cent. a month until paid, which note was endorsed by Conchee & Ahung, a copy whereof is hereunto annexed and made a part hereof marked "Exhibit A."

2. That a mortgage to secure said note was given by said Anin to said Hopper upon four shares of a certain rice plantation at Waialua, Oahu, dated June 24, 1886, of record in Liber 102, folio 168; which mortgage is here in Court to be produced as a part hereof.

3. That said note has not been paid and the endorsers are insolvent as far as known to the parties hereto.

4. That one Ahuna, a partner of said Anin, died in the year 1886 and S. Selig of Honolulu, was duly appointed administrator of his estate: that said Selig was also appointed receiver of the partnership of Anin & Ahuna.

5. That on February 9, 1887, said Anin gave to said Hopper an order on said Selig receiver for the amount due to him from the partnership property when settled, which order was accepted by said Selig, a copy whereof is hereunto annexed and made a part hereof marked "Exhibit B." said Selig at that time having moneys or credits of said firm in his hands.

6. That on April 2, 1887, said Anin was adjudged a bankrupt and said Parke and Austin were duly appointed assignees of his estate.

7. That said Selig on May 9, 1887, having in hands the sum of $1,667.30 belonging to said Anin the proceeds of property coming into his hands as receiver, paid the same to the Clerk of the Supreme Court, acting under direction of the Court; that said money was afterwards paid by said Clerk to said assignees.

The question to be decided by the Court is, should said sum of $1,667.30 be now paid to said Hopper in virtue of the above facts, after deducting such amounts for commissions of assignees and costs in bankruptcy as may be allowed?

It appears that the said Hopper held Anin's note secured by mortgage on four shares of a certain rice plantation, which said shares were sold by S. Selig as receiver in closing up the estate of Anin & Ahuna, he having the proceeds of this security in his hands on February 9, 1887, Y. Anin gave an order on said Selig payable to Hopper as follows:

"Honolulu, Feb. 9, 1887.

"Please pay to the order of James "A. Hopper the amount due to me "from the partnership property of "Anin and Ahuna, and when the "matter is settled and the amount "ascertained definitely, please render to said James A. Hopper a full "account thereof,

(Signed) Y. ANIN.

"To S. Selig, Esq., Receiver of "Anin and Ahuna, Honolulu.

"Accepted, Honolulu, Feb. 9, 1887.

(Signed) S. SELIG."

The order was accepted by S. Selig on the same day, but has not been paid, he Selig having paid the balance of $1,667.30 in his hands, belonging to said Anin, to the Clerk of the Supreme Court under direction of the Court; that said money was afterwards paid by said Clerk to said assignees under the direction of the Court dated May 7, 1887, on a submission by Parke and Austin, assignees and S. Selig, receiver and administrator of Ahuna estate.

It also appears at the time of this submission, said assignees and receiver well knew of the existence of the said accepted order, and it was their duty to state this fact in the prior submission: if they had done so it would have avoided the question now before us and unnecessary expense to parties, for undoubtedly we should have ordered the balance or so much of it as was necessary, paid to Hopper on the said accepted order.

There can be only one conclusion, that Selig having realized on the whole estate including the shares covered by Hopper's mortgage, and having moneys or credits of Anin's in his hands, the said accepted order was substituted for the note secured by mortgage. Selig should have paid it out of the fnnds in his hands. And we are now of the opinion that the said sum of $1,667.30 should be paid to said Hopper less costs of this submission. We are of opinion that the assignees are not entitled to take commissions on this amount, because it formed no part of the bankrupt's estate and should not have been paid over to them. Nor should the costs of the bankruptcy be taken from this sum.

F. M. Hatch for plaintiff; Jona. Austin for defendants.

Dated November 22, 1887.